

# NEW APPLICATION



0000100341

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION  
OF GRANITE MOUNTAIN WATER CO., INC.  
FOR APPROVAL OF FINANCING

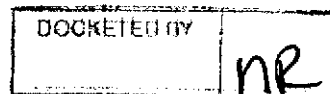
) DOCKET NO.  
)  
) DECISION NO.

1. Applicant for Financing:  
Granite Mountain Water Company, Inc.  
2465 Shane Drive  
Prescott, AZ 86305

Arizona Corporation Commission  
**DOCKETED**

JUN 30 2009

2. Authorized Representative:  
Paul D. Levie  
2465 Shane Drive  
Prescott, AZ 86305



RECEIVED  
JUN 30 2009 12  
DOCKET CONTROL

W-02467A-09-0334

3. Complete Description of Financing:
  - a) A line of credit loan from JP Morgan Chase Bank in the amount of \$125,000.00 to provide for the further development of the Granite Mountain Water Company infrastructure and water storage. Primarily for the design and construction of a 50,000 gallons water storage tank, retaining wall, and required fencing.
    - i) The expected draws for the line of credit are based on estimates and shown on the following page.
  - b) The Paul D. and Rae Levie Trust dated November 20, 1973 has provided financing to the Granite Mountain Water Company, Inc. for the betterment and furtherance of the water service to the public located within the Granite Mountain Water Company's CC&N.
    - i) A promissory note dated January 5<sup>th</sup>, 2004 (exhibit #1) was created for funds in the amount of \$27,773.65 by Granite Mountain Water Company, Inc. for the Paul D. and Rae Levie Trust. This note of indebtedness shall be for no more than 10 years, having a maturity date of January 5<sup>th</sup>, 2014. There was no interest provided under this note. There are no encumbrances under this note. These notes have been paid in full from operations and are no longer outstanding obligations of Granite Mountain Water Company, Inc.
    - ii) A promissory note dated March 23<sup>rd</sup>, 2006 (exhibit #2) was created for funds in the amount of \$26,365.00 by Granite Mountain Water Company, Inc. for the Paul D. and Rae Levie Trust. This note of indebtedness shall be for no more than 10 years, having a maturity date of March 23<sup>rd</sup>, 2016. There was no interest provided under this note. There are no encumbrances under this note. These notes have been paid in full from operations and are no longer outstanding obligations of Granite Mountain Water Company, Inc.

**Granite Mountain Water Company, Inc**  
**50K Gallon Storage Tank Project**

Function	Company	Estimate
Tank Structural Engineering/Design	Robbins Engineering	\$2,850.00
Tank Structural Engineering/Design	Glen Vortherms	\$7,950.00
Permit for Storage Tank & Retaining Wall	Yavapai County	\$878.34
GM Tank Excav Hammer for Bobcat	Chino Rentals	\$470.21
Excavation for Tank	Danny Levie	\$1,000.00
Survey Easement Pins	M Haywood & Assoc	\$275.00
Retaining Wall Structural Engineering/Design	M Haywood & Assoc	\$2,557.80
Retaining Wall Construction	Desert Snow Construction	\$7,800.00
Subcontract CMU Wall	Masonry of Arizona	\$3,043.00
Spec AB	Asphalt Paving & Supply	\$333.43
Grout & 3000 PSI w/Air w/Ash	Hanson Aggregates	\$3,222.36
PG 2500 Grout n/Air w/Ash	Hanson Aggregates	\$679.13
Retaining Wall Backfill (Proctor)	Hanson Aggregates	\$353.51
CMU Block Materials	Yavapai Block	\$2,373.94
Wrought Iron Fencing	Desert Snow Construction	
Wrought Iron Anchors-1 1/2" Sq Tubing	ACE Hardware	\$49.06
Wrought Iron Anchors-1 1/2" Sq Tubing	Prescott Steel & Welding Supply	\$23.19
Wrought Iron Fencing-1 1/4" & 1/2" Sq Tubing	Glendale Steel Supply	\$856.20
Wrought Iron Fencing-(18) 12' 1 1/4"	Glendale Steel Supply	\$336.95
Wrought Iron Fencing-Materials for Gate and Fence	Home Depot	\$302.42
Driveway Rock-Fill for Ring	Asphalt Paving & Supply	\$284.70
Bedding Material to Level Tank Foundation	Hanson Aggregates	\$125.87
Bedding Transport to Level Tank Foundation	Triple D Trucking	\$140.00
Compaction Report	Engineering & Testing Consultants	\$515.00
Tank Construction	David Larson	\$54,600.00
Landscaping Materials	Windmill Farms Nursery	\$2,000.00
Painting Tanks/Wall/Structure	TBD	\$3,000.00
	Totals	\$96,020

- iii) A promissory note dated April 23<sup>rd</sup>, 2007 (exhibit #3) was created for funds in the amount of \$78,655.00 by Granite Mountain Water Company, Inc. for the Paul D. and Rae Levie Trust. This note of indebtedness shall be for no more than 10 years, having a maturity date of April 23<sup>rd</sup>, 2017. There was no interest provided under this note. There are no encumbrances under this note. These notes have been paid in full from operations and are no longer outstanding obligations of Granite Mountain Water Company, Inc.
- 4. The expected gross proceeds for services provided to a potential 43 new customers will be approximately \$32,955.00 annually. The issuance expenses related to Granite Mountain Water Company, Inc. operating expenses for 2008 will be approximately \$16,310.00. The net proceeds from the issuance and sale will be approximately \$16,645.00. As of the date of this application 11 of the 43 lots provided water service by this financing were active customers.
- 5. The non-monetary proceeds of the tank construction (section 3a) will ensure adequate water supply for existing and future customers in the event of a loss of power or other exigent circumstances. The net proceeds from the financing by the Paul D. and Rae Levie Trust (section 3b) were realized and completed.
- 6. Three of the loans to Granite Mountain Water Company are for extensions of transmission and distribution mains. All work was completed by McMains and Sons Excavation, Inc. as set forth in the draw requests of McMains and Sons Excavation, Inc. for a first loan of \$27,773.65, a second for \$26,365.00, and a third for \$78,655.00. These notes have been paid in full from operations and are no longer outstanding obligations of Granite Mountain Water Company, Inc.

These notes having been paid off from operations, the only outstanding obligation will be the line of credit for the \$125,000.00 for installation of the additionally needed storage tank.

- 7. Names and addresses of an person or company entitled to fees for services:
  - a) Fees for services rendered in relation to the JP Morgan Chase Bank loan listed above (section 3a) will be paid to and work provided by:
    - i) Robbins Engineering  
P.O. Box 4017  
Prescott, AZ 86302
    - ii) Glen Vortherms  
8618 W John Cabot Rd  
Peoria, AZ 85382
    - iii) Yavapai County Development Services  
500 South Marina Street  
Prescott, AZ 86303
    - iv) Chino Rentals

- 1181 N Highway 89  
Chino Valley, AZ 86323
- v) Danny Levie  
2480 Shane Dr.  
Prescott, AZ 86305
- vi) M Haywood & Associates  
PO Box 1001  
Prescott, AZ 86302-1001
- vii) Desert Snow Construction  
2465 Shane Drive  
Prescott, AZ 86305
- viii) Masonry of Arizona  
502 N Washington Ave  
Prescott, AZ 86301
- ix) Asphalt Paving & Supply  
7001 Second Street  
Prescott Valley, AZ 86314
- x) Hanson Aggregates  
PO Box 730510  
Dallas, TX 75373
- xi) Yavapai Block  
1389 Masonry Way  
Prescott, AZ 86301
- xii) ACE Hardware (Farmplan)  
PO Box 445  
Carol Stream, IL 60197
- xiii) Prescott Steel & Welding Supply  
1 Kiji Dava Circle  
Prescott, AZ 86301
- xiv) Glendale Steel Supply  
PO Box 276  
Glendale, AZ 85311
- xv) Home Depot  
PO Box 6029  
The Lakes, NV 88901
- xvi) Triple D Trucking  
PO Box 1452  
Chino Valley, AZ 86323
- xvii) Engineering & Testing Consultants  
417 N Arizona Ave  
Prescott, AZ 86301
- xviii) David Larson

6109 W Maui Lane  
Glendale, AZ 85306

xix) Windmill Farms Nursery  
PO Box 3150  
Chino Valley, AZ 86323

b) Fees for services rendered in relation to the promissory notes listed above (section 3b) were paid to and work provided by:

i) McMains & Sons Excavation Inc.  
PO Box 3810  
Chino Valley, AZ 86323  
LIC. # A-G 153602

8. Documents executed regarding this matter: (see exhibits #1, #2, and #3 Promissory Notes for the Paul D. and Rae Levie Trust) (see exhibits #7, #8, and #9 for Invoices from McMains and Sons Excavation related to the details of section 3b)

9. Recent balance sheet and statements regarding the indebtedness: (see exhibit #4 [331.00 Transmission & Distribution Lines] and exhibit #5 [335.00 Hydrants])

10. Attached exhibit #6 – Proof of Customer Notification.

Signed: \_\_\_\_\_

Paul D. Levie, President  
Granite Mountain Water Company, Inc.  
P.O. Box 350  
Chino Valley, AZ 86323  
(928) 717-2616

Notary:

STATE OF ARIZONA )

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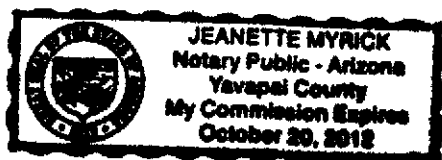
COUNTY OF YAVAPAI )

This instrument was acknowledged before me this 29<sup>th</sup> day of June, 2009, by Paul D. Levie, President of Granite Mountain Water Company, Inc.

In witness thereof I herewith set my hand and official seal.

Jeanette Myrick  
Notary

My Commission Expires: 10,20,2012



PROMISSORY NOTE

No. 2

Prescott, Arizona.

upon demand no later than 10 years, after date, for value received, GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay to the order of PAUL D. and RAE LEVIE TRUST dated November 20, 1973, the sum of TWENTY-SEVEN THOUSAND SEVEN HUNDRED AND SEVENTY-THREE 65/100 DOLLARS, with interest at the rate of no interest per annum from January 5, 2004, until paid. Interest payable N/A and if not so paid to be added to the principal and become a part thereof and to bear interest at the same rate. And should the interest not be paid when due then the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this note. If suit be brought or attorney employed to collect this note, GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay as attorney's fees which are reasonable Dollars additional on amount found due on this note.

Principal and interest payable in lawful money of the United States of America at 2465 Shane Drive, Prescott, Az 86305

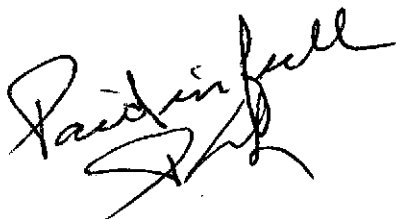
\$ 27,773.65 Due

Annual Percentage Rate -0- %

DATED: January 5, 2004

GRANITE MOUNTAIN WATER  
COMPANY, INC..

  
Paul D. Levie, President



## PROMISSORY NOTE

No. 3 Prescott, Arizona,  
upon demand no later than 10 years, after date, for value received, GRANITE MOUNTAIN  
WATER COMPANY, INC., promises to pay to the order of PAUL D. and RAE LEVIE TRUST  
dated November 20, 1973, the sum of TWENTY-SIX THOUSAND THREE HUNDRED AND  
SIXTY-FIVE 00/100 DOLLARS, with interest at the rate of no interest per annum from March  
23, 2006, until paid. Interest payable N/A and if not so paid to be added to the principal and  
become a part thereof and to bear interest at the same rate. And should the interest not be paid when  
due then the whole sum of principal and interest shall become immediately due and payable at the  
option of the holder of this note. If suit be brought or attorney employed to collect this note,  
GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay as attorney's fees which  
are reasonable Dollars additional on amount found due on this note.

Principal and interest payable in lawful money of the United States of America at 2465 Shane  
Drive, Prescott, Az 86305

\$ 26,365.00 Due

Annual Percentage Rate -0- %

DATED: March 23, 2006

GRANITE MOUNTAIN WATER  
COMPANY, INC..

  
Paul D. Levie, President

*Paul Levie*

PROMISSORY NOTE

No. 4 Prescott, Arizona,  
upon demand no later than 10 years, after date, for value received, GRANITE MOUNTAIN  
WATER COMPANY, INC., promises to pay to the order of PAUL D. and RAE LEVIE TRUST  
dated November 20, 1973, the sum of SEVENTY EIGHT THOUSAND SIX HUNDRED AND  
FIFTY-FIVE 00/100 DOLLARS, with interest at the rate of no interest per annum from April 23,  
2007, until paid. Interest payable N/A and if not so paid to be added to the principal and become a  
part thereof and to bear interest at the same rate. And should the interest not be paid when due then  
the whole sum of principal and interest shall become immediately due and payable at the option of  
the holder of this note. If suit be brought or attorney employed to collect this note, GRANITE  
MOUNTAIN WATER COMPANY, INC., promises to pay as attorney's fees which are  
reasonable Dollars additional on amount found due on this note.

Principal and interest payable in lawful money of the United States of America at 2465 Shane  
Drive, Prescott, Az 86305

\$ 78,655.00 Due

Annual Percentage Rate -0- %

DATED: April 23, 2007

GRANITE MOUNTAIN WATER  
COMPANY, INC..

  
Paul D. Levie, President





2:28 PM

04/08/09

Accrual Basis

**Granite Mountain Water Co., Inc.**  
**Transactions by Account**  
As of December 31, 2008

Type	Memo	Amount	Balance
<b>331.00 - Transmission &amp; Distribution Mai</b>			
General Journal	Promissory Note #2 dtd 1/5/2004	27,773.65	240,372.51
General Journal	Promissory Note #3 dtd 3/23/06	23,665.00	268,146.16
General Journal	Promissory Note #4 dtd 4/23/2007	72,655.00	291,811.16
Total 331.00 - Transmission & Distribution Mai		124,093.65	364,466.16
<b>TOTAL</b>		<b>124,093.65</b>	<b>364,466.16</b>

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04/06/09

Accrual Basis

**Granite Mountain Water Co., Inc.**  
**Transactions by Account**  
As of December 31, 2008

Type	Memo	Amount	Balance
335.00 - Hydrants			74.32
General Journal	Promissory Note #3 dtd 3/23/06	2,700.00	2,774.32
General Journal	Promissory Note #4 dtd 4/23/2007	6,000.00	8,774.32
Total 335.00 - Hydrants		8,700.00	8,774.32
<b>TOTAL</b>		<b>8,700.00</b>	<b>8,774.32</b>

**PUBLIC NOTICE  
OF  
AN APPLICATION FOR AN ORDER  
AUTHORIZING THE ISSUANCE OF INDEBTEDNESS IN NOTES  
BY GRANITE MOUNTAIN WATER COMPANY, INC.**

June 29, 2009

Granite Mountain Water Company, Inc ("Company") filed an Application with the Arizona Corporation Commission ("Commission") for an order authorizing Applicant to issue \$132,793.65 in notes and \$125,000.00 indebtedness. The application is available for inspection during regular business hours at the office of the Commission in Phoenix, Arizona, and the Company's offices at 2465 Shane Drive, Prescott, Arizona 86305.

Intervention in the Commission's proceedings on the application shall be permitted to any person entitled by law to intervene and having direct substantial interest in this matter. Persons *desiring to intervene must file a Motion to Intervene with the Commission which must be served upon applicant and which, at a minimum, shall contain the following information:*

1. The name, address and telephone number of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding.
3. Whether the proposed intervenor desires a formal evidentiary hearing on the application and the reasons for such a hearing.
4. A statement certifying that a copy of the Motion to Intervene has been mailed to Applicant.

The granting of Motions to Intervene shall be governed by A.A.C. R14-3-105, except that all Motions to Intervene must be filled on, or before, the 15<sup>th</sup> day after this notice.

Granite Mountain Water Company, Inc.

PO Box 350

Chino Valley, AZ 86323

Phone: (928) 717-2619

Fax: (928) 717-2621

June 29, 2009


Arizona Corporation Commission

Docket Control

1200 West Washington Street

Phoenix, AZ 85007-2996

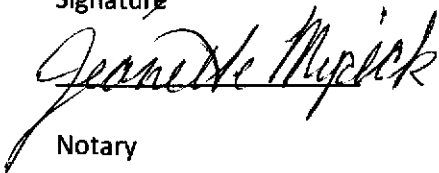
This is to certify that I, Matthew Lauterbach, Water Administrator, have notified the customers of Granite Mountain Water Company, Inc. of the Application for Financing pursuant to A.R.S. 40-301 and 40-302 on June 29, 2009.



Signature

6/29/09

Date



Notary

6-26-09

Date

10-20-2012



Draw Request #

McMains & Sons Excavation Inc.				Date : December 18, 2000		
PO Box 3810						
Chino Valley, AZ 86323						
Lic. #A-G 153602				DRAW REQUEST: #1		
Draw Request for Granite Mountain Home Sites Unit 5						
				Draw Request	Draws to date	% Complete Balance
Concrete, pavement & subgrade related	Subtotal:	\$ 92,120.15		\$ 14,113.98	\$ 13,816.02	50.53% \$ 64,190.15
Water related	Subtotal:	\$ 26,945.00		\$ 5,000.00		\$ 21,945.00
Aps, tv & phone (no plan available)	Subtotal:	\$ 19,095.00				\$ 19,095.00
Sales Tax	Subtotal:	\$ 5,118.83		\$ 708.17		\$ 4,410.66
Total Contract		\$ 143,278.98				
TOTAL DRAW REQUEST				\$ 19,822.15	\$ 13,816.02	\$ 109,640.81

\$ 5,000.00 (pg 1)  
 \$18,000.00 (pg 2)  
 \$ 666.90 (pg 2)  
 \$ 3,945.00 (pg 3)  
 \$ 1,811.75 (pg 3)

\$27,773.65

McMains & Sons Excavation Inc.				Date : April 23, 2003			
PO Box 3810							
Chino Valley, AZ 86323							
Lic. #A-G 153602				DRAW REQUEST: #4			
Draw Request for Granite Mountain Home Sites Unit 5							
				Draw Request	Draws to date	% Complete	Balance
Concrete, pavement & subgrade related		Subtotal:	\$ 92,120.15		\$ 27,930.00	50.53%	\$ 64,190.15
Water related		Subtotal:	\$ 26,945.00	\$ 3,945.00	\$ 23,000.00	100.00%	\$ -
Aps, tv & phone (no plan available)		Subtotal:	\$ 19,095.00		\$ 19,095.00	100%	\$ -
Sales Tax		Subtotal:	\$ 5,118.83	\$ 161.75	\$ 2,082.54		\$ 2,874.54
Total Contract			\$143,278.98				
TOTAL DRAW REQUEST				\$ 4,106.75	\$ 72,107.54		\$ 67,064.69

McMains & Sons Excavation Inc.				Date : January 23, 2001			
PO Box 3810							
Chino Valley, AZ 86323							
Lic. #A-G 153602				DRAW REQUEST: #2			
Draw Request for Granite Mountain Home Sites Unit 5							
				</			

McMains & Sons Excavation Inc.			12/1/2004	
P.O. Box 3810				
Chino Valley, AZ 86323				
LIC. # A-G 153602				
RE: Granite Mountain Homes Sites Unit 5 Phase 3 / Nichole's Knoll				
We Will provide equipment, labor and material for the above project as per preliminary plan. We anticipate some engineering addendums, but not substantial. Exclusions are: Blasting, testing fees and engineering. All excess materials will be left on site. If material is needed to complete subgrade it will be generated on site, and this can be negotiated.				
ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
clearing/ organic materials & subgrade		L/S	\$19,400.00	\$19,400.00
Paving 3"AC on 6" ABC	1,900.00	SY	\$16.50	\$31,350.00
Maricopa	1280	SY LF	\$1.40	\$1,792.00
Rip rap V ditch	2100	LF	\$6.25	\$13,125.00
Survey Monuments / type A	1	each	\$300.00	\$300.00
Signs	2	each	\$275.00	\$550.00
			Subtotal	\$66,517.00
WATER				
C900	620	LF	\$27.00	\$16,740.00
6" Gate valves	2	each	\$675.00	\$1,350.00
1" Single service	5	each	\$675.00	\$3,375.00
Blowoff	1	each	\$650.00	\$650.00
Bends	1	each	\$350.00	\$350.00
Tee's	1	each	\$375.00	\$375.00
Valve risers & covers	3	each	\$275.00	\$825.00
Fire Hydrant	1	each	\$2,700.00	\$2,700.00
			Subtotal	\$26,365.00
APS, TV & PHONE (NO PLAN AVAILABLE)				
Trench Approximately	900	LF	\$16.00	\$14,400.00
2" Con Approximately	1200	LF	\$1.80	\$2,160.00
3" Con approximately	1200	LF	\$2.00	\$2,400.00
Estimating transformers	2	each	\$700.00	\$1,400.00
			Subtotal	\$20,360.00
PROJECT SUBTOTAL:				\$113,242.00
TAX				\$6,149.04
PROJECT GRAND TOTAL:				\$119,391.04



McMains & Sons Excavation Inc.			12/3/2005	
PO Box 3810 Chino Valley, AZ 86323				
Lic. # A-G 153602				
RE: Granite Mountain Home Sites Unit 5 Phase 3/ Levie Ln.				
We will provide equipment, labor and material for the above project as per preliminary plan.				
We anticipate some value engineering, but not substantial. Exclusions are: Blasting, testing fees and engineering. All excess materials will be left on site. If material is needed to complete subgrade it will be generated on site.				

**Granite Mountain Water Company, Inc**  
**50K Gallon Storage Tank Project**

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Painting Tanks/Wall/Structure	TBD	\$3,000.00
	Totals	\$96,020

RECEIVED

PROMISSORY NOTE

No. 2

Prescott, Arizona,

upon demand no later than 10 years, after date, for value received, GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay to the order of PAUL D. and RAE LEVIE TRUST dated November 20, 1973, the sum of TWENTY-SEVEN THOUSAND SEVEN HUNDRED AND SEVENTY-THREE 65/100 DOLLARS, with interest at the rate of no interest per annum from January 5, 2004, until paid. Interest payable N/A and if not so paid to be added to the principal and become a part thereof and to bear interest at the same rate. And should the interest not be paid when due then the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this note. If suit be brought or attorney employed to collect this note, GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay as attorney's fees which are reasonable Dollars additional on amount found due on this note.

Principal and interest payable in lawful money of the United States of America at 2465 Shane Drive, Prescott, Az 86305

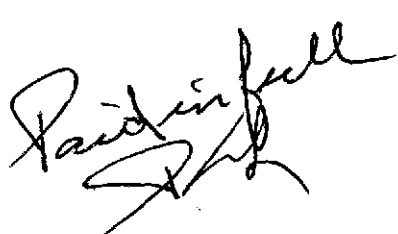
\$ 27,773.65 Due

Annual Percentage Rate -0- %

DATED: January 5, 2004

GRANITE MOUNTAIN WATER  
COMPANY, INC..

  
Paul D. Levie, President



PROMISSORY NOTE

No. 3 Prescott, Arizona  
upon demand no later than 10 years, after date, for value received, GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay to the order of PAUL D. and RAE LEVIE TRUST dated November 20, 1973, the sum of TWENTY-SIX THOUSAND THREE HUNDRED AND SIXTY-FIVE 00/100 DOLLARS, with interest at the rate of no interest per annum from March 23, 2006, until paid. Interest payable N/A and if not so paid to be added to the principal and become a part thereof and to bear interest at the same rate. And should the interest not be paid when due then the whole sum of principal and interest shall become immediately due and payable at the option of the holder of this note. If suit be brought or attorney employed to collect this note, GRANITE MOUNTAIN WATER COMPANY, INC., promises to pay as attorney's fees which are reasonable Dollars additional on amount found due on this note.

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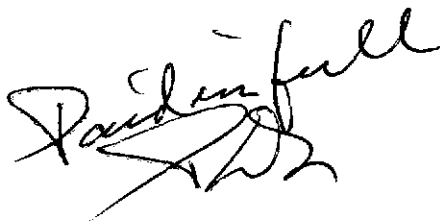
\$ 26,365.00 Due

Annual Percentage Rate -0- %

DATED: March 23, 2006

GRANITE MOUNTAIN WATER  
COMPANY, INC..

  
Paul D. Levie, President



PROMISSORY NOTE

No. 4 Prescott, Arizona,  
upon demand no later than 10 years, after date, for value received, GRANITE MOUNTAIN  
WATER COMPANY, INC., promises to pay to the order of PAUL D. and RAE LEVIE TRUST  
dated November 20, 1973, the sum of SEVENTY EIGHT THOUSAND SIX HUNDRED AND  
FIFTY-FIVE 00/100 DOLLARS, with interest at the rate of no interest per annum from April 23,  
2007, until paid. Interest payable N/A and if not so paid to be added to the principal and become a  
part thereof and to bear interest at the same rate. And should the interest not be paid when due then  
the whole sum of principal and interest shall become immediately due and payable at the option of  
the holder of this note. If suit be brought or attorney employed to collect this note, GRANITE  
MOUNTAIN WATER COMPANY, INC., promises to pay as attorney's fees which are  
reasonable Dollars additional on amount found due on this note.

Principal and interest payable in lawful money of the United States of America at 2465 Shane  
Drive, Prescott, Az 86305

\$ 78,655.00 Due

Annual Percentage Rate -0- %

DATED: April 23, 2007

GRANITE MOUNTAIN WATER  
COMPANY, INC..

  
Paul D. Levie, President



2:28 PM

04/06/09

Accrual Basis

**Granite Mountain Water Co., Inc.**  
**Transactions by Account**  
**As of December 31, 2008**

Type	Memo	Amount	Balance
331.00 - Transmission & Distribution Mai			
General Journal	Promissory Note #2 dtd 1/5/2004	27,773.65	240,372.51
General Journal	Promissory Note #3 dtd 3/23/06	23,665.00	268,146.16
General Journal	Promissory Note #4 dtd 4/23/2007	72,655.00	291,811.16
Total 331.00 - Transmission & Distribution Mai		124,093.65	364,466.16
<b>TOTAL</b>		<b>124,093.65</b>	<b>364,466.16</b>

2:27 PM

04/08/09

Accrual Basis

**Granite Mountain Water Co., Inc.**  
**Transactions by Account**  
**As of December 31, 2008**

Type	Memo	Amount	Balance
336.00 - Hydrants			74.32
General Journal	Promissory Note #3 dtd 3/23/06	2,700.00	2,774.32
General Journal	Promissory Note #4 dtd 4/23/2007	6,000.00	8,774.32
Total 335.00 - Hydrants		8,700.00	8,774.32
<b>TOTAL</b>		<b>8,700.00</b>	<b>8,774.32</b>

PUBLIC NOTICE  
OF  
AN APPLICATION FOR AN ORDER  
AUTHORIZING THE ISSUANCE OF INDEBTEDNESS IN NOTES  
BY GRANITE MOUNTAIN WATER COMPANY, INC.

June 29, 2009

Granite Mountain Water Company, Inc. ("Company") filed an Application with the Arizona Corporation Commission ("Commission") for an order authorizing Applicant to issue \$132,793.65 in notes and \$125,000.00 indebtedness. The application is available for inspection during regular business hours at the office of the Commission in Phoenix, Arizona, and the Company's offices at 2465 Shane Drive, Prescott, Arizona 86305.

Intervention in the Commission's proceedings on the application shall be permitted to any person entitled by law to intervene and having direct substantial interest in this matter. Persons desiring to intervene must file a Motion to Intervene with the Commission which must be served upon applicant and which, at a minimum, shall contain the following information:

1. The name, address and telephone number of the proposed intervenor and of any person upon whom service of documents is to be made if different than the intervenor.
2. A short statement of the proposed intervenor's interest in the proceeding.
3. Whether the proposed intervenor desires a formal evidentiary hearing on the application and the reasons for such a hearing.
4. A statement certifying that a copy of the Motion to Intervene has been mailed to Applicant.

The granting of Motions to Intervene shall be governed by A.A.C. R14-3-105, except that all Motions to Intervene must be filed on, or before, the 15<sup>th</sup> day after this notice.



Granite Mountain Water Company, Inc.

PO Box 350

Chino Valley, AZ 86323

Phone: (928) 717-2619

Fax: (928) 717-2621

June 29, 2009

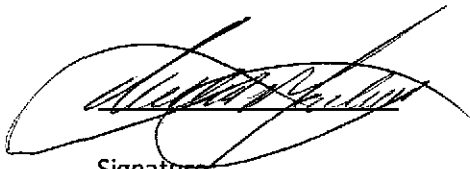
Arizona Corporation Commission

Docket Control

1200 West Washington Street

Phoenix, AZ 85007-2996

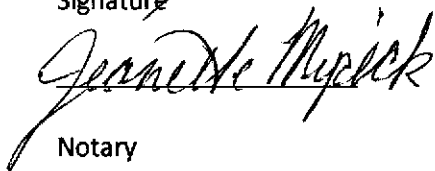
This is to certify that I, Matthew Lauterbach, Water Administrator, have notified the customers of Granite Mountain Water Company, Inc. of the Application for Financing pursuant to A.R.S. 40-301 and 40-302 on June 29, 2009.



Signature

6/29/09

Date

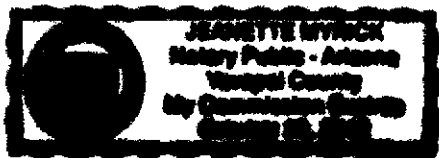


Notary

6-26-09

Date

10-20-2012



Draws Request #

McMains & Sons Excavation Inc.		Date : December 18, 2000			
PO Box 3810					
Chino Valley, AZ 86323					
Lic. #A-G 153602		DRAW REQUEST: #1			
Draw Request for Granite Mountain Home Sites Unit 5				%	
		Draw Request	Draws to date	Complete	Balance
Concrete, pavement & subgrade related	Subtotal: \$ 92,120.15	\$ 14,113.98	\$ 13,816.02	50.53%	\$ 64,190.15
Water related	Subtotal: \$ 26,945.00	\$ 5,000.00			\$ 21,945.00
Aps, tv & phone (no plan available)	Subtotal: \$ 19,095.00				\$ 19,095.00
Sales Tax	Subtotal: \$ 5,118.83	\$ 708.17			\$ 4,410.66
Total Contract	\$ 143,278.98				
TOTAL DRAW REQUEST		\$ 19,822.15	\$ 13,816.02		\$ 109,640.81

\$ 5,000.00 (pg 1)

\$ 18,000.00 (pg 2)

\$ 666.90 (pg 2)

\$ 3,945.00 (pg 3)

\$ 161.75 (pg 3)

\$ 27,773.65

<b>McMains &amp; Sons Excavation Inc.</b>				Date : April 23, 2003			
PO Box 3810							
Chino Valley, AZ 86323							
Lic. #A-G 153602				DRAW REQUEST: #4			
<b>Draw Request for Granite Mountain Home Sites Unit 5</b>							
				<b>Draw Request</b>	<b>Draws to date</b>	<b>% Complete</b>	<b>Balance</b>
Concrete, pavement & subgrade related	Subtotal:	\$ 92,120.15		\$ 27,930.00		50.53%	\$ 64,190.15
Water related	Subtotal:	\$ 26,945.00	\$ 3,945.00	\$ 23,000.00		100.00%	\$ -
Aps, tv & phone (no plan available)	Subtotal:	\$ 19,095.00		\$ 19,095.00		100%	\$ -
Sales Tax	Subtotal:	\$ 5,118.83	\$ 161.75	\$ 2,082.54			\$ 2,874.54
Total Contract		\$ 143,278.98					
<b>TOTAL DRAW REQUEST</b>			\$ 4,108.75	\$ 72,107.54			\$ 67,084.69

McMains & Sons Excavation Inc.				Date : January 23, 2001			
PO Box 3810							
Chino Valley, AZ 86323							
Lic. #A-G 153602				DRAW REQUEST: #2			
Draw Request for Granite Mountain Home Sites Unit 5							

McMains & Sons Excavation Inc.			12/1/2004	
P.O. Box 3810				
Chino Valley, AZ 86323				
LIC. # A-G 153602				
RE: Granite Mountain Homes Sites Unit 5 Phase 3 / Nichole's Knoll				
We Will provide equipment, labor and material for the above project as per preliminary plan. We anticipate some engineering addendums, but not substantial. Exclusions are: Blasting, testing fees and engineering.				
All excess materials will be left on site. If material is needed to complete subgrade it will be generated on site, and this can be negotiated.				
ITEM DESCRIPTION	QUANTITY	UNIT	UNIT COST	TOTAL COST
clearing/ organic materials & subgrade		L/S	\$19,400.00	\$19,400.00
Paving 3"AC on 6" ABC	1,900.00	SY	\$16.50	\$31,350.00
Maricopa	1280	SY LF	\$1.40	\$1,792.00
Rip rap V ditch	2100	LF	\$6.25	\$13,125.00
Survey Monuments / type A	1	each	\$300.00	\$300.00
Signs	2	each	\$275.00	\$550.00
			Subtotal	\$66,517.00
WATER				
C900	620	LF	\$27.00	\$16,740.00
6" Gate valves	2	each	\$675.00	\$1,350.00
1" Single service	5	each	\$675.00	\$3,375.00
Blowoff	1	each	\$650.00	\$650.00
Bends	1	each	\$350.00	\$350.00
Tee's	1	each	\$375.00	\$375.00
Valve risers & covers	3	each	\$275.00	\$825.00
Fire Hydrant	1	each	\$2,700.00	\$2,700.00
			Subtotal	\$26,365.00
APS, TV & PHONE (NO PLAN AVAILABLE)				
Trench Approximately	900	LF	\$16.00	\$14,400.00
2" Con Approximately	1200	LF	\$1.80	\$2,160.00
3" Con approximately	1200	LF	\$2.00	\$2,400.00
Estimating transformers	2	each	\$700.00	\$1,400.00
			Subtotal	\$20,360.00
PROJECT SUBTOTAL:				\$113,242.00
TAX				\$6,149.04
PROJECT GRAND TOTAL:				\$119,391.04

McMains & Sons Excavation Inc.			12/3/2005	
PO Box 3810 Chino Valley, AZ 86323				
Lic. # A-G 153602				
RE: Granite Mountain Home Sites Unit 5 Phase 3/ Levie Ln.				
We will provide equipment, labor and material for the above project as per preliminary plan.				
We anticipate some value engineering, but not substantial. Exclusions are: Blasting, testing fees and engineering. All excess materials will be left on site. If material is needed to complete subgrade it will be generated on site.				
<u>ITEM DESCRIPTION</u>	<u>QUANTITY</u>	<u>UNIT</u>	<u>UNIT COST</u>	<u>TOTAL COST</u>
clearing and subgrade		L/S		\$ 13,400.00
Paving 3" AC on 8" ABC	5,100.00	SY	\$ 17.00	\$ 86,700.00
Maricopa	3800	LF	\$ 1.50	\$ 5,700.00
Rip rap V ditch	1990	LF	\$ 6.50	\$ 12,935.00
Survey Monuments / type A	4	each	\$ 325.00	\$ 1,300.00
Signs	5	each	\$ 300.00	\$ 1,500.00
			<u>Subtotal</u>	\$ 121,535.00
<u>WATER WORKS</u>				
6" C900	1900	LF	\$ 29.00	\$ 55,100.00
6" Gate Valves	4	each	\$ 795.00	\$ 3,180.00
1" Single service	13	each	\$ 700.00	\$ 9,100.00
Fire hydrants	2	each	\$ 3,000.00	\$ 6,000.00
Bends and tees	7	each	\$ 375.00	\$ 2,625.00
Risers and collars	4	each	\$ 325.00	\$ 1,300.00
Blowoff	2	each	\$ 675.00	\$ 1,350.00
			<u>Subtotal</u>	\$ 78,655.00
<u>APS, TV &amp; PHONE (NO PLAN AVAILABLE)</u>				
Allowance			\$ 39,100.00	\$ 39,100.00
			<u>SUBTOTAL:</u>	\$ 39,100.00
<b>PROJECT SUBTOTAL:</b>				<b>\$ 239,290.00</b>
<b>TAX</b>				<b>\$ 9,882.68</b>
<b>PROJECT GRAND TOTAL:</b>				<b>\$ 249,172.68</b>
Proposal Prices are good for 90 days				
			Clay McMains	
			<i>Clay McMains</i>	